

**NEPA PUBLIC SCOPING PROCESS  
OROVILLE FACILITIES RELICENSING  
FERC PROJECT No. 2100**

**COMMENTS OF THE STATE WATER CONTRACTORS (SWC)**

**John Coburn, General Manager**

October 30, 2001

Retaining or enhancing the current water supply and power generation from the Oroville Facility is essential for maintaining a reliable and affordable water supply for the 23 million Californians and 750,000 acres of farmland served by the State Water Project (SWP).

W-01-01

**Background** The SWC represents 27 public agencies<sup>1</sup> throughout California that have long-term contracts for a supplemental water supply from the State Water Project (SWP). Planned, constructed and operated by the California Department of Water Resources (DWR), the SWP is the largest State-built, user-financed multipurpose water project in the U.S. Its main purpose is water supply. The Project diverts and stores surplus water during wet periods and distributes it to service areas in Northern California, the San Francisco Bay area, the San Joaquin Valley, the Central Coast and Southern California. Other project purposes include flood control, power generation, recreation, fish and wildlife protection, and water quality improvement in the Sacramento-San Joaquin Delta.

**The Oroville Facility** The SWP contractors are responsible for all costs related to water supply development and power generation at the Oroville Facility. The SWC is concerned that operational changes that may be proposed during relicensing could negatively impact future water costs. Operational changes that result in reducing the power generation capability and flexibility will result in increased water costs to the SWP contractors and, ultimately, much of the state's population. The SWP is the largest single consumer of electric power in the state. Any loss of generation at Oroville requires the SWP to purchase replacement energy. This not only increases the cost of water, it imposes additional demand on already scarce electric energy supply.

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W-01-03

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<sup>1</sup> Alameda County Flood Control & Water Conservation District, Zone 7; Alameda County Water District; Antelope Valley-East Kern Water Agency; Casitas Municipal Water District on behalf of the Ventura County Flood Control District; Castaic Lake Water Agency; Central Coast Water Authority on behalf of the Santa Barbara County FC&WCD; City of Yuba City; Coachella Valley Water District; County of Kings; Crestline-Lake Arrowhead Water Agency; Desert Water Agency; Dudley Ridge Water District; Empire-West Side Irrigation District; Kern County Water Agency; Littlerock Creek Irrigation District; The Metropolitan Water District of Southern California ("Metropolitan"); Mojave Water Agency; Napa County FC&WCD; Oak Flat Water District; Palmdale Water District; San Bernardino Valley Municipal Water District; San Gabriel Valley MWD; San Geronimo Pass Water Agency; San Luis Obispo Co. FC&WCD; Santa Clara Valley Water District; Solano County Water Agency; and Tulare Lake Basin Water Storage District.

However, the SWC's greatest concern is the possibility that operational changes will erode the water supply available to the SWP. California is on the verge of a water supply crisis that may well dwarf California's current energy crisis. The Oroville relicensing process must move forward without duplicating ongoing efforts on environmental and flood management issues if we are to ensure sound managements of the state's limited water resources.

W-01-04

The SWC appreciates the need to protect California's environment. The SWC is deeply involved in the ongoing CalFed process. CalFed is a consortium of state and federal resource agencies that is addressing the water quality, water supply and ecosystem needs of the Sacramento – San Joaquin River Delta and the San Francisco Bay (Bay-Delta). The CalFed process is striking a delicate balance between water supply and the environment. The impacts of CalFed programs will stretch well beyond the Bay-Delta, and encompass the Feather River in that program's "solutions" area. This relicensing process must proceed in full recognition of the overall CalFed program, the Central Valley Project Improvement Act and other ecosystem restoration initiatives. State Water Project water supplies are already contributing to CalFed's success.

W-01-05

Similarly, a joint state and federal effort is underway to identify and address flood management, public safety and ecosystem restoration issues in the 43,000 square-mile Sacramento and San Joaquin River watersheds. Congress and the California legislature authorized this multi-agency effort in response to massive Central Valley flooding in 1997. The goal of the Sacramento and San Joaquin River Basins Comprehensive Study is a master plan for the Sacramento and San Joaquin River basins that addresses flood damage reduction and ecosystem restoration in the Central Valley.

The environmental and flood management studies undertaken in the relicensing process need to be tightly focused within the project boundaries. Any options considered must be complementary to ongoing efforts, such as, the CalFed program and the Sacramento and San Joaquin Basins Comprehensive Study, and not result in additional losses of State Water Project water supplies.

W-01-06

W-01-07

W-01-08

Restructuring of the California power market has highlighted the importance of hydroelectric projects beyond their traditional capacity and energy production values. Maintaining or increasing the flexibility in releases is required to continue the beneficial use of the Oroville Facility for providing regulation, spinning reserves, non-spinning reserves, replacement reserves and voltage control required for reliable operation of the SWP and the California power grid.

W-01-09

The SWC recognize that the relicensing process involves the balancing of water and power supply benefits with environmental, recreational and flood management needs. The SWC urges DWR and the other relicensing participants to seek innovative and creative solutions to meet these needs – solutions that do not needlessly sacrifice precious power and water resources.

We will be submitting more detailed written comments on the Scoping Document by the November 26 deadline.